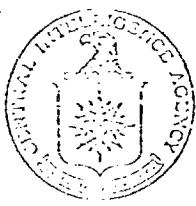


CENTRAL INTELLIGENCE AGENCY

*Memorandum*



THE CRISIS  
USSR/CUBA

Information as of 0400

3 November 1962

3 November 1962

THE SITUATION IN CUBA

No photographs were taken on 2 November of the offensive missile sites.

The whereabouts of missiles and equipment which have been removed from the missile sites is still unknown. Photographs taken yesterday of the ports of Mariel and Punta Gerardo do not provide evidence as to whether or not Soviet offensive missiles and related equipment are being prepared for shipment out of Cuba. Missile equipment is visible in the dock area of Mariel but it is not certain yet that loading of this equipment has begun. There is some evidence that one of three Soviet dry cargo ships at dockside was loading cargo of some kind.

At Punta Gerardo, probably the propellant supply point for missiles in Cuba, a convoy of six oxidizer tanker trucks was observed apparently being readied to leave the area.

The uncrating and assembling of IL-28 (BEAGLE) bombers at San Julian was continuing. Two additional fuselages had been uncrated since 1 November. Two of the aircraft were evidently operational and five others assembled except for the engines. - - -

There has been no change in the status of two SAM sites covered in the 2 November photography.

No change has been noted in the alert status of the Cuban armed forces.

On 1 November the Cuban central planning organization put a freeze on distribution of all imported and domestic wood, except to the consolidated shipbuilding enterprise and the Ministry of the Armed Forces. This measure could be connected with crating operations. - - -

[-1-]

BLCC REACTION

Moscow broadcast to the Soviet home audience a terse, factual report of the President's statement last evening. The broadcast noted the President's reference to the dismantling of Soviet missile bases in Cuba and pointed out that his remarks on aerial photography were clear evidence of the "violation of Cuba's air space." It concluded by citing the President's statement that progress towards establishing peace in the Caribbean should continue.

Moscow's propaganda coverage of the Cuban crisis, sharply reduced since the beginning of this week, continues to call for "concrete US moves" beyond oral assurances that there will be no invasion of Cuba. During his 1 November conversation with US officials, Mikoyan insisted that the US respect Cuban sovereignty. He also raised the question of broadening US-Soviet discussions on Cuba to include Castro's five-point demands. However, he avoided any formal commitment to this position, did not represent Castro's demands as "conditions" for the successful conclusion of negotiations, and even went so far as to assert that Guantanamo was primarily a US-Cuban problem.

On his departure for Havana from New York, Mikoyan attempted to portray Castro's proposals simply as measures designed to insure Cuba's security and declared that the Soviet Union "believes them to be fair and supports them."

Tass has only briefly noted Castro's 1 November speech and made no mention of his refusal to permit inspection of the removal of the missiles.

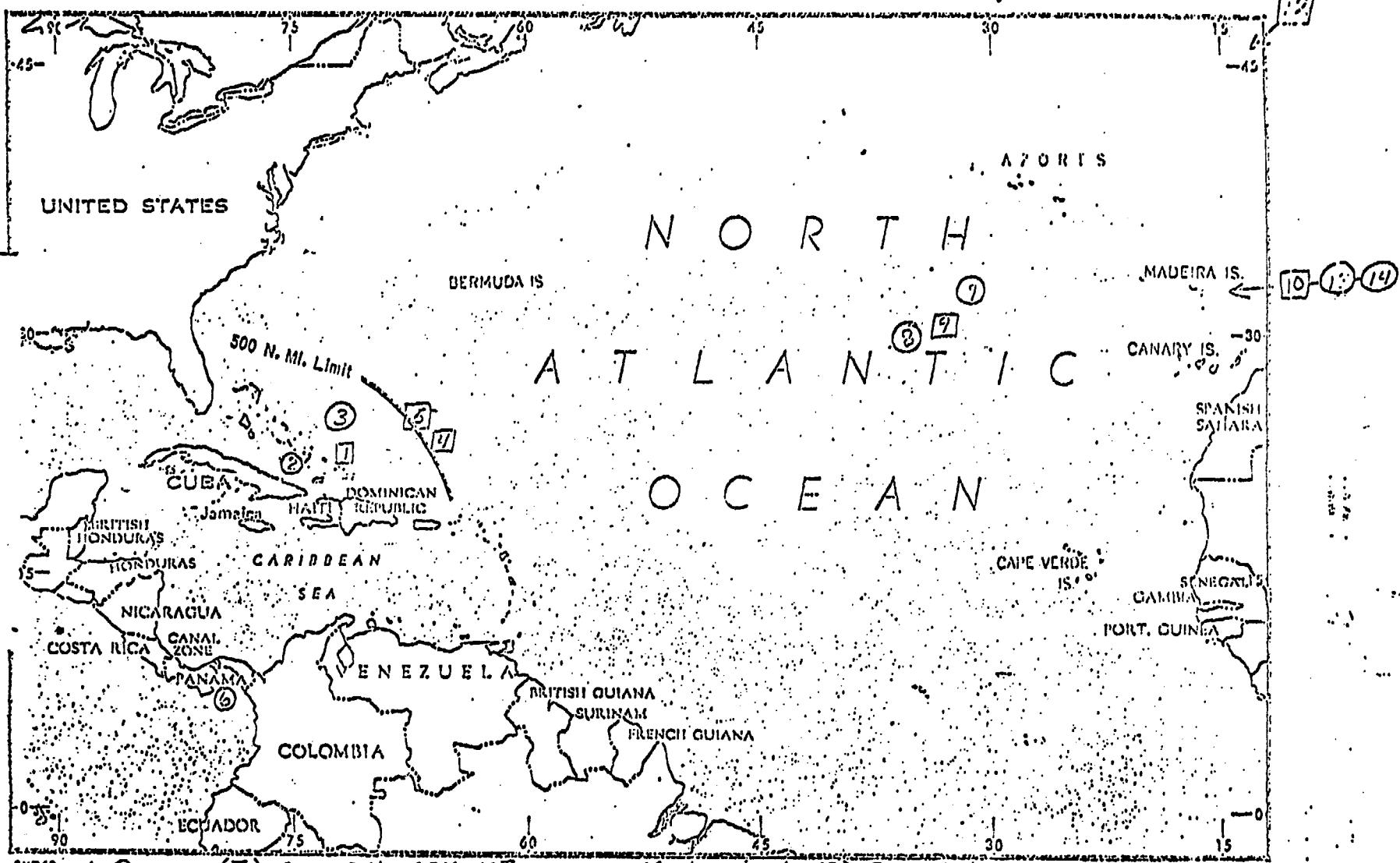
Further evidence that Mikoyan may extend new offers of economic aid to Castro was implicit in his assertion to the press in New York that the Soviet Union is "rendering Cuba comprehensive support and aid."

Peiping continues to affirm its strong backing for the Castro regime and all Chinese papers prominently featured Castro's 1 November speech.

Bloc Shipping to Cuba

□ Tankers (T)

○ Dry Cargo (D)



BLOC MILITARY STATUS

No significant changes have been noted in the disposition or readiness posture of the major Soviet and Satellite military forces.

X X X

SOVIET BLOC SHIPPING TO CUBA

With the departure of the Soviet dry cargo ship Leningorsk from Odessa on 1 November, the number of Bloc ships en route to Cuba has increased from thirteen to fourteen.

The Czech dry cargo ship Kladno, dead in the water NE of the quarantine line since 31 October, was reported under way toward Cuba on 2 November, trailed by a US destroyer. The Belcvodsk and the Grozny, inside the quarantine line, at last report were steaming ahead for Cuba. The Belcvodsk should have reached Cuban waters in the early hours of this morning and the Grozny late on 4 November or early on 5 November. The Soviet tankers Mir and Karl Marx should be within the quarantine line early today.

All other bloc vessels en route to Cuba appear to be moving normally.

## CUBAN SAM PROGRAM UNPRECEDENTED

The USSR's abnormally rapid establishment of more than twenty surface-to-air missile sites in Cuba during August and September, as part of a Soviet-manned air defense system also incorporating the most modern Soviet radar and MIG-21 jet fighters, suggests that the system was designed primarily to provide protection for the offensive IRBM and MRBM bases.

In other countries being supplied with Soviet SAMs, the Soviet programs have moved at a much slower rate and their apparent purpose has been to provide protection for the recipient nation's key metropolitan areas. In addition, these SAM sites evidently are being supplied under standard government-to-government agreements which provide for the training of local military personnel to man and control the weapons. As a result they require relatively small numbers of Soviet military technicians to be present in these areas.

In all the countries, other than Cuba, being supplied with Soviet SAMs, the USSR has followed a definite pattern in providing such military assistance. After signing the pertinent agreement, a training program is established in the USSR for the benefit of the military personnel of the country scheduled to receive the SAMs. At a later date, a relatively small number of Soviet military technicians--usually 30 to 100--are sent to the recipient country to survey for and establish a SAM training site to facilitate the instruction of additional local personnel on these weapons. Then, usually several months after the signing of the military aid agreement, the missiles and equipment for the training site are delivered.

The next step in the process, apparently planned to coincide with the completion of training of the first group of the recipient's personnel in the USSR, is the construction of operational SAM sites. The construction of these sites also appears to be carried out deliberately and routinely. Thus, the full development of a Soviet SAM program in these countries requires about two years or more, depending on the number of sites to be installed. In fact, although Indonesia, Iraq, and the UAR all concluded agreements with the USSR for the supply of SAMs in 1961, none of these countries is known to have even one operational SAM site as yet.

The USSR began delivering operational SAM equipment to Cuba, however, before the initiation of any training programs, either in the USSR or in Cuba. This equipment was not only supplied rapidly, but the sites themselves were urgently constructed and immediately crewed by Soviet military personnel. Moreover, the SAMs were supplied to Cuba simultaneously with the delivery of MIG-21 fighters and the most modern Soviet radar--all part of an integrated air defense system--and this materiel too apparently is being operated, at least temporarily--by Soviet personnel. This also constituted a deviation from the normal Soviet pattern of first training foreign personnel and then providing MIGs, radar and other air defense equipment to a country which is scheduled eventually to receive SAMs. Thus, it is quite apparent that the USSR's primary reason for supplying SAMs to Cuba was not to provide a defense for its major cities or its existing military bases but rather to cover the rapid establishment of Soviet IRBM and MRBM sites aimed at the US.

Since the SAM sites were first constructed in the western half of Cuba, where the long-range Soviet missiles were also first established, it appears likely that Moscow intended to set up similar missile bases in the eastern half of the country where additional SAM sites now exist--ostensibly to defend relatively remote areas from aerial bombardment. Should all the SAM sites remain in Cuba, Cubans could probably be trained to operate the system within a year or less.

IMPACT OF US QUARANTINE ON MERCHANT SHIPPING TO CUBA  
AND THE CUBAN DOMESTIC ECONOMY

A. The Effect on Bloc Merchant Shipping

An immediate effect of the US quarantine on merchant shipping to Cuba was to cause the turn-around of sixteen USSR dry-cargo ships. Seven of these ships are estimated to have been carrying the missiles and associated equipment for an additional IRBM regiment. The other nine ships are also estimated to have been carrying military associated cargo.

Cargo data on the ships departing from Baltic ports is not available. The ships that left Black Sea ports and then turned around had declared a minimum of 15,000 tons of cargo when transiting the Bosphorus. This cargo was principally military in nature and classified as general cargo or technical materials. One freighter, for example, may have been carrying Il-28 bombers. The only cargoes specifically identified in Bloc declarations were 2,120 tons of propane gas.

Since the initiation of the US quarantine only four Bloc-flag ships have arrived at Cuban ports. Two of them were Soviet tankers, the Vinnitsa, which carried 9,000 tons of fuel oil, and the Bucharest which carried 28,500 tons of crude oil. The single Polish arrival, the Bialystok, brought in an unidentified amount of general cargo, probably food-stuffs and machinery. The East German arrival, the Volkefreundschaft, was a passenger ship that probably carried only a small quantity of commercial cargo.

We speculate that there were still some construction materials, equipment and missiles for as much as one IRBM regiment still on the wharves in Leningrad on 23 October which would probably have been loaded and, at least some ships involved in the movement, would have been en route to Cuba at this time had the quarantine not intervened. A total of 7 shiploads of equipment, 3 oversize hatch vessels included, would have been required for this movement. We think that at least 2 shiploads of cruise missiles and cruise missile equipment would have been loaded during this period or in the near future. It is possible that a part of the above equipment was in fact in Cuba on 23 October but not perceived in the surveillance results available.

Additional ground force equipment and air defense equipment would have been at or moving to Soviet ports for shipment during this period. It is impossible to identify this equipment specifically other than to indicate it would consist of follow-on spares for the SA-2 system and possibly additional battalions of Frog SS missiles. As many as 5 to 10 shiploads per week might have moved during late October and November.

#### B. The Effect on Free World Merchant Shipping

The decision of countries such as Costa Rica, Honduras, Panama, and West Germany to stop their shipping from participating in the Cuban trade had little effect on the movement of cargoes from the Bloc since the shipping of these countries accounted for only a small portion of the ships in the Bloc - Cuban trade.

Since 23 October a minimum of 15 Free World ships, all under charter to the Bloc, have arrived in Cuba with cargoes from Bloc ports. These ships brought into Cuba an identified minimum tonnage of over 75,000 tons of commercial cargoes, principally foodstuffs, trucks and automobiles, fuel oil and other general cargoes. The Free World arrivals and their cargoes are shown in the attached table.

There have been several attempts on the part of some Free World ship owners to avoid chartering to the Bloc, or to escape fulfillment of existing charter contracts, and there have been a few instances of non-delivery of cargoes from the Bloc to Cuba. The present reluctance of some ship owners to charter to the Bloc seems to rest principally on the expectation of higher charter rates, and considerable uncertainty about the sanctions to be expected from the US for engaging in Bloc-Cuban trade. As of this date the volume of shipping en route to Cuba from the Bloc, or presently loading in Bloc ports for Cuba, shows no noticeable decline from the previous two months.

#### C. Impact of Quarantine on Cuban Internal Economic Situation

In and of itself, the naval quarantine has not resulted in a cut-off of the kind of supplies needed by Cuba to sustain its economy. The quarantine has, however, produced certain psychological effects within Cuba which appear to be aggravating already-existing economic problems.

An apparent surge of scare buying and black marketeering since the imposition of this quarantine has led the

government to impose increasingly severe penalties on offenders and to exhort the population at large not to "attack the people's economy" by hoarding.

Other scattered reporting indicates that medical and hospital services for the civilian population have been drastically curbed and that communications services in Cuba have become increasingly subject to sporadic disruption or delay.

The government has also taken measures in a number of areas to ensure the rationing of gasoline, lube oil, and kerosene to what it considers to be essential users. There is at least limited evidence to suggest that misguided enforcement of these measures at local levels is having a disruptive effect on the efforts of industrial and agricultural agencies to carry out production and distribution assignments.

Beyond these fragmentary indicators, there is as yet little hard evidence upon which to base a firm estimate of the degree to which Cuba's internal economic situation has been affected by the quarantine. In the physical sense, the existence of the US naval quarantine has not thus far placed any meaningful obstruction in the path of Cuban economic activity. From the psychological standpoint, however, the quarantine and the crisis atmosphere it has generated is likely to be having a palpably disruptive effect upon those in Cuba responsible for the production and distribution of goods and services.

23 OCTOBER TO 2 NOVEMBER

<u>Flag</u>	<u>Ship</u>	<u>Cargo</u>
Germany	Regine	2,500 tons foodstuffs and general cargo; 72 trucks
	Maritsa	150 trucks, 5 possible helicopter crates
Greece	Sirius	23,577 tons crude oil
	Spiros Polemis	1,020 tons industrial equipment and 189 trucks
Lebanon	Pella	Trucks, autos, and jeeps totaling 3,956 tons
	Marucla	7,600 tons general cargo and 10 trucks
Norway	Evje	15,500 tons of crude oil
	Folke Bernadotte	5,300 tons of lumber
	Herborg	1,739 potatoes
	Holthill	6,212 tons iron and steel products; 3,164 bales of paper
Sweden	Buccanero	2,329 potatoes
	Coolangatta	2,689 potatoes and foodstuffs
	Hispaniola	2,764 potatoes
	Sottern	2,000 tons trucks, spare parts, agricultural equipment and metal-working equipment
Turkey	M. Esref	5,000 tons sulfates and 5,000 tons metals